

By Rep. Tom Rooney

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Where are the jobs?

That is the question I consistently hear from my constituents. Two years into the recession, despite trillions of dollars spent on bailouts and “stimulus” projects, unemployment numbers in Florida continue to climb higher, reaching a record 12.3 percent in March. Counties along the Treasure Coast in my district have particularly bleak numbers, like St. Lucie at 14.6 percent and Martin County at 12.7 percent.

We have seen over the last year that employers, particularly small businesses, are reluctant to expand their payrolls when they face new tax hikes and burdensome mandates from Washington. They fear that Congress will increase their taxes by letting the 2001 and 2003 tax cuts to expire. They worry that the new health care law or possible cap-and-tax legislation will add to the costs of doing business.

Instead of creating more obstacles and uncertainty, we need to provide permanent tax relief and create the stable environment small businesses need to grow and hire new workers. That is why I cosponsored the Economic Freedom Act, which gets the government out of the way and gives businesses the freedom and stability they need to pull us out of this recession.

Our bill replaces the failed stimulus spending (except for unemployment benefits and tax cuts) and the TARP bailout program with five key tax cuts to help small businesses, farmers and workers grow our economy and create jobs.

First, the bill cuts the 2010 payroll tax in half for employers and employees, providing immediate relief so businesses can hire more workers.

Second, the bill permanently provides immediate small business expensing, allowing small businesses to deduct the cost of certain property immediately. This gives them an incentive to put money back in their businesses. Making this provision permanent (it is set to expire in 2010) will give small firms the stability to plan ahead and expand.

Third, the bill permanently eliminates the death tax, which penalizes small businesses and farms. Ending the death tax will allow farms and small firms to stay in business and continue to grow after the death of a loved one.

Fourth, the bill permanently eliminates the capital gains tax, which punishes individuals and businesses for investing their earnings. Eliminating this tax on investments will encourage economic growth and hiring by putting necessary capital in the hands of entrepreneurs and other job creators.

Finally, the bill reduces the corporate income tax rate from 35 percent to 12.5 percent. We now

have one of the highest corporate tax rates in the world, forcing companies to take their businesses and their jobs elsewhere. Bringing our tax rates in line with other countries' will encourage businesses to open and remain here, creating good jobs for American workers.

Small businesses, not federal agencies, are the engines of economic growth on the Treasure Coast. To get our economy back on track, we need to make sure that small businesses here can keep, save, spend and reinvest more of what they earn, so they can grow and create new jobs. The Economic Freedom Act will get the federal government off the backs and out of the wallets of our small businesses and workers.